

FedEx Mid-Atlantic hub is now official

Company signs 25-year lease with Airport

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HIGH POINT, NC -- FedEx Corp. has signed, sealed and delivered its lease commitment to build a \$300 million hub at Piedmont Triad International Airport. The 25-year lease agreement was approved by a 6-0 vote and signed Thursday by members of the Piedmont Triad Airport Authority.

FedEx officials signed the lease for its fifth national hub in the past two days, said David Bronczek, president and chief executive officer of FedEx Express.

"We are elated at the signing of the lease, which we have been eagerly awaiting since the whole process began four years ago," said Hudnall Christopher, the authority's chairman.

"We now look forward to proceeding with the mammoth task of building the hub."

Bronczek said FedEx never wavered in its decision to build the hub at PTIA because of the faith and vision FedEx officials have seen in the Triad and the geographic and infrastructure advantages at PTIA.

"We had gone back months ago to look over our future plans from every aspect, given the nature of the economy, the Sept. 11 terrorist attacks and the nature of where the company was at," Bronczek said.

"We looked at where we wanted to be in the future and if the Mid-Atlantic hub was where we had to be.

"What we decided is that the same reasons that compelled us to begin the process of building our hub at this airport in 1998 were still valid and remain valid in the future."

Gov. Mike Easley said the lease agreement solidified Fed Ex's commitment to bring "good, stable jobs that will benefit North Carolina families for many years."

"This is the type of job incentive package that we are putting together for our state: smart, targeted packages that do the most good for the most number of people," Easley said.

FedEx is expected to employ 1,500 full- and part-time workers at the hub when it's fully operational. FedEx spokeswoman Pam Roberson said that while the market will dictate the pay

scale, she expects product handlers to make between \$12 and \$13 an hour and couriers to make upward of \$20 an hour.

"Those numbers could be significantly higher in the years after the hub is operational because of inflation, how efficiently the hub is performing and the need to pay a competitive wage in the Triad," said Roberson, senior communications specialist at FedEx's Memphis headquarters.

"Anywhere in the world that we are, we do attract jobs. We do attract companies. We do attract good employees," Bronczek said. He said FedEx will offer full-time jobs that include positions for a vice president, in addition to drivers, financial analysts, managers and marketing specialists.

FedEx is projected to have 126 daily flight operations - departures and arrivals - between 10 p.m. and 4 a.m. by 2009.

Johnson said the 1 million-square-foot sorting facility probably won't open until 2007.

Christopher said he anticipates the process of grading the FedEx hub site, as well as the relocation of a section of Old Oak Ridge Road, to begin in April. Even though there are regulatory hurdles, including two key permits, to clear, airport Executive Director Ted Johnson said he believes the airport will be able to meet project deadlines.

The project is expected to have an overall \$508.6 million cost. That's including \$300 million from FedEx, \$108.6 million from the Federal Aviation Administration, \$50 million from the state of North Carolina and \$50 million from the authority.

Christopher said the airport already has received \$10.8 million in funding through the FAA.

The authority will be responsible for grading the site, building the 9,000-foot-long third runway, the taxiway and the relocation of an approximately 2-mile section of Bryan Boulevard, Johnson said. FedEx will be responsible for financing the sorting hub and related facilities through either private means or special purpose bonds issued through the authority that FedEx will guarantee.

"We want to work with the community because we plan to be here for a long time," Bronczek said. "We're going to hire local residents, but also hire the sons and daughters of those residents as well.

"FedEx is involved with every airport in the country and we take seriously issues concerning our involvement at those airports in relations to the surrounding communities."

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Stanley Frank was perhaps the most pleased person Thursday in the boardroom that bears his name at Piedmont Triad International Airport.

Frank, a retired Airport Authority chairman, had just seen a giant step taken in his 15-year quest to land a FedEx Corp. sorting hub at the airport.

The authority and FedEx completed the signing of a 25-year lease for a one million-square-foot, \$300 million hub, to be operational in 2007.

“Fifteen years ago, I knew this airport would have to expand its air freight operations because of the globalization of the goods and products,” Frank said. “Some people thought I was crazy, but the economy was moving global even then.”

Frank said PTIA can operate harmoniously as both a major commercial and light-freight cargo facility.

“This airport, like any business, has to continue to grow in order to remain successful,” Frank said. “The signing of this lease is certainly a step in securing a successful future for the airport and the Triad.”

Loren Hill, president of the High Point Economic Development Corp., said the lease signing was an historic economic development day for High Point and the Triad.

“It was a time for us to celebrate the hard work that has been done to get us to this point and to be proud of the top-notch company that is coming to this area,” Hill said.

Hill also was encouraged to learn that FedEx Express President and CEO Dave Bronczek is committed to becoming involved in city charities and community activities.

The signed lease signifies the Triad remains an attractive and profitable area for major corporations to locate or expand to, said Tom Dayvault, president of the High Point Chamber of Commerce.

“The signing means the clock has begun to tick on the opening day of the hub -- a day the city, the Triad and the state can look forward to seeing,” Dayvault said.